

**COMMONWEALTH OF VIRGINIA  
DEPARTMENT OF THE TREASURY**

**REQUEST FOR PROPOSALS # CMI 06 - 009**

for

**STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE**

**LOCKBOX SERVICES**

**J. BRAXTON POWELL  
TREASURER OF VIRGINIA**

Kelley S. Denton, VCO  
Procurement Officer

June 23, 2006

**REQUEST FOR PROPOSALS**  
**# CMI 06-009**

**ISSUE DATE:** June 23, 2006

**TITLE:** State Corporation Commission – Bureau of Insurance  
Lockbox Services

**ISSUING AGENCY:** Attn: Kelley Denton VCO, Procurement Officer  
Commonwealth of Virginia  
Department of the Treasury  
P.O. Box 1879  
Richmond, Virginia 23218-1879

**USING AGENCY:** State Corporation Commission (SCC)

Initial Period of Contract: On or before November 1, 2006 through October 31, 2009 With Two (2) Additional One (1) Year Renewal Periods in Accordance with the Terms and Conditions herein.

Sealed Proposals Will Be Received **until 1:00pm Friday, July 14, 2006** For State Corporation Commission Bureau of Insurance Lockbox Services described herein. Offerors' names shall be read aloud.

All Inquiries Shall Be Directed To: Kelley Denton by phone - (804) 786 - 4741, by fax - (804) 225-3187 or e-mail – [kelley.denton@trs.virginia.gov](mailto:kelley.denton@trs.virginia.gov). Written (fax or e-mail) inquiries are preferred.

If Proposals Are Mailed, Mail Directly To Issuing Agency Shown Above, Adding One Line To The Top Of The Address As Follows: Proposal for, State Corporation Commission Bureau of Insurance Lockbox Services # CMI 06-009

If Proposals Are Hand Delivered, Deliver To: State Corporation Commission Bureau of Insurance Lockbox Services, RFP # CMI 06-009, Commonwealth of Virginia, c/o Department of the Treasury, James Monroe Building - 3rd Floor, 101 North 14th Street, Richmond, Virginia 23219, Attn: Kelley Denton.

In Compliance With This Request For Proposals And To All The Conditions Imposed Therein And Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Furnish Banking Services In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiations.

Offeror's Name:	By (Signature in Ink):
Complete Address:	Name (please print) and Title:
	Date:
City/State/Zip:	Federal Identification Number:
Telephone Number:	Facsimile Number:

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## **SECTION I    PURPOSE**

The purpose of this Request for Proposals ("RFP") issued by the Department of the Treasury ("Treasury") is to solicit sealed proposals from qualified vendors to establish a contract through competitive negotiations for the purchase of wholesale lockbox services for the State Corporation Commission, Bureau of Insurance. While it is the intent to award all services to one contractor, Treasury reserves the right to make multiple awards.

## SECTION II BACKGROUND

The State Corporation Commission administers the laws which promote fair and equitable treatment of the public by all businesses which are deemed by the State to provide a vital public service. The Constitution of Virginia establishes the State Corporation Commission as a specific department of State government. The Commission is Virginia's principal regulatory body in the business and economic fields. Insurance, all state-chartered financial institutions, rail transportation, and investment securities are under Commission supervision, as well as the setting of electric and intrastate telephone utility rates.

There are two post office boxes for the Bureau of Insurance: the Administrative Tax Unit (TAA) and the Agents Licensing Section (ALA). Processing for both boxes is basically the same, however the file layout for the Agents Licensing Section has a slightly different detail record.

### 1. Administrative Tax Unit (TAA)

The Administrative Tax Unit of the Bureau of Insurance (BOI) is responsible for the collection and audit of taxes and various special assessments levied on insurance companies conducting business in the Commonwealth of Virginia (approximately 1,500). Premium license taxes are collected pursuant to Chapter 25 of Title 58.1 of the Code of Virginia. The various special assessments are levied pursuant to Chapter 4 of Title 38.2 of the Code of Virginia and include assessments for the Maintenance of the BOI, Fire Programs Fund, Flood Protection and Prevention Fund, the Help Eliminate Automobile Theft (HEAT) fund, and the Fraud and Managed Care Health Insurance Plan (MCHIP) assessments. The Administrative Tax Unit is also responsible for enforcing the retaliatory provisions of Virginia Code § 38.2-1026. File layout for TAA is included in **Appendix F**.

#### Payment Schedule:

Date	Type of Transaction	Estimated Number of Transactions
March 1	Premium license tax and maintenance assessment reconciliation payments; all special fund payments; and retaliatory taxes due	6,200
April 15	Estimated premium license tax and maintenance assessment payments due	1,000
June 15	Estimated premium license tax and maintenance assessment payments due	1,000
September 15	Estimated premium license tax and maintenance assessment payments due	1,000
December 15	Estimated premium license tax and maintenance assessment payments due	1,000
Year-round	Interest and penalty payments are collected throughout the year. Volumes higher in May, June, and July in response to audit notices and October related to additions to taxes	300

## 2. Agent Appointment Fees (ALA)

A separate lockbox is established for agent appointment fees which are collected on a quarterly and annual basis. The Agents Licensing Section performs licensing for all lines of insurance and tracking functions for the entire Bureau of Insurance. They screen applications, issue agent/agency licenses, track appointments, process appointment renewals, and monitor regulatory requirements for licensing. They respond to all informational requests about agents. There are approximately 130,870 insurance agents and agencies and 1500 insurance companies doing business in Virginia. The Agents Licensing Section handled 126,000 telephone calls during the 1999-2000 fiscal year.

The peak times for collections for Agents Licensing are January, April, July, and October.

The file layout for ALA is included in **Appendix G**.

Because of the severe penalties related to late remittances, the majority of the companies (over 50%) submit their payments using overnight mail.

The lockbox not only collects and deposits the funds within twenty-four hours of receipt, but is also responsible for key entry of tax information submitted with each payment. The resulting data files which are transmitted to the Bureau of Insurance is used to update receivables records. Due to internal systems constraints, the validity and integrity of the data entry is essential. Programmatic systems edits are required to ensure that at a minimum the following occurs: forms are keyed to the appropriate revenue type; keying entry accuracy (duplicate entry); check amount equals the amount due, and calculations required for certain forms are computed accurately.

The lockbox file is provided to the Bureau of Insurance via a PC transmission. The file is then uploaded to the Bureau of Insurance system that is maintained on the IBM system at the Department of Information Technology.

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It is the policy of the Commonwealth of Virginia to contribute to the establishment, preservation and strengthening of small businesses and businesses owned by women and minorities and to encourage their participation in State procurement activities. The Commonwealth encourages Contractors to provide for the participation of small businesses and businesses owned by women and minorities through partnerships, joint ventures, subcontracts or other contractual opportunities. Submission of a report of past efforts to utilize the goods and services of such businesses and plans for involvement on this contract are required in order to obtain full points as specified in **Section V. See Appendix B** for reporting format. By submitting a proposal, Offerors certify that all information provided in response to this RFP is true and accurate. Failure to provide information required by this RFP could result in the rejection of the proposal.

### **SECTION III STATEMENT OF NEEDS**

The Contractor shall provide the following services:

#### **A. Lockbox**

1. The Contractor shall provide a wholesale lockbox for processing premium license tax and maintenance assessment payments, special fund payments, retaliatory taxes due, and penalties and interest.
2. The Contractor shall process all payments according to lockbox guidelines outlined in **Appendix D**.
3. The Contractor shall provide data entry of assessment notices as outlined in **Appendix D**.
  - a. System edits shall be maintained that provide for the following
    1. Duplicate key entry of data to ensure accuracy
    2. Limits key entry of specific Form ID's to the appropriate payment type
    3. Verifies that the check amount equals the amount due
    4. Performs calculations, systematically, on appropriate forms
5. The Contractor shall accept and process all mail within 24 hours of receipt.
6. All processable payments received shall be deposited within 24 hours of receipt and credited to the Treasurer of Virginia specified account.
7. The Contractor shall provide a lockbox data file according to the specification provided in **Appendixes F and G**.
  - a. Each batch, by Form ID, shall be limited to 60 payments.
8. The Bureau of Insurance will retrieve the two lockbox files from the bank and transfer them to VITA (Virginia Information Technology Agency.)
9. Lockbox media (documents, reports, correspondence, unprocessable items) shall be delivered to the Bureau of Insurance by the start of business the following business day (8:00 a.m.)

#### **B. Return Deposited Items**

1. All items returned for non-sufficient funds shall be redeposited once.
2. Returned items shall be debited from a SCC Returned Items demand deposit account.
3. All returned checks and debit advices shall be provided to the SCC Comptroller's Office.

#### **C. Zero Balance Account**

Provide a ZBA for the deposit of lockbox funds. The ZBA will be affiliated to the Treasurer's General Account at your financial institution.

## SECTION IV PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

### A. GENERAL REQUIREMENTS:

#### 1. RFP Response:

- a. Number of Copies. In order to be considered for selection, Offerors must submit a complete response to this RFP. One (1) original, so marked, and five (5) copies, so marked, of each proposal must be submitted to the Department of the Treasury. Additional copies shall be provided upon request.

#### 2. Proposal Preparation:

- a. Submission of Materials. An authorized representative of the Offeror shall sign proposals. All information requested should be submitted. Failure to submit all information requested may result in the Commonwealth requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. The Commonwealth may reject proposals, which are substantially incomplete or lack key information. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Small, Women-Owned, and Minority-Owned Business Reports. All information requested by this RFP on the ownership, utilization and planned involvement of small businesses, women-owned businesses, and minority-owned businesses shall be submitted. If an offeror fails to submit all information requested, the Commonwealth may require prompt submission of missing information after the receipt of the vendor proposals. (See **Appendix B**.)
- c. Clarity of Proposals. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- d. Organization of Proposal. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub-letter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and sub-letter should be repeated at the top of the next page. Information, which the Offeror desires to present, that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- e. Single Volume. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.



- f. Ownership of Materials. Ownership of all data, materials and documentation originated and prepared for the Commonwealth pursuant to the RFP shall belong exclusively to the Commonwealth and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror shall invoke the protection of Section 2.2-4342F of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice shall specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted shall be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. **THE CLASSIFICATION OF AN ENTIRE PROPOSAL DOCUMENT, LINE ITEM PRICES AND/OR TOTAL PROPOSAL PRICES AS PROPRIETARY OR TRADE SECRETS IS NOT ACCEPTABLE AND MAY RESULT IN THE REJECTION OF THE PROPOSAL.**

3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to a designated committee of the Commonwealth. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The Commonwealth will schedule the time and location of these presentations. Oral presentations are an option of the Commonwealth and may or may not be conducted.

#### B. SPECIFIC REQUIREMENTS:

Proposals should be as thorough and detailed as possible so that the evaluation panel may properly evaluate your capabilities to provide the required services. Offerors are required to submit the following items, separated by tabs within the proposal, as a complete proposal:

**NOTE:** All responses to the questions in this request for proposals (RFP) will become an integral part of the contract that is entered into between Treasury and the winning bidder. All responses are binding for the initial period of the contract.

TAB 1. The complete RFP (One Copy **in the Original Proposal Only**), the RFP cover sheet and addenda, if any, filled out as required and signed.

TAB 2. General Qualifications:

1. Submit three (3) references including contact name, address, and telephone number. References submitted should be applicable to the specific services requested in this RFP. If you provide this service or a similar service to a state or municipal government, please use that entity(ies) as a reference.
2. Provide a list of contact personnel including senior level management who will be responsible for the relationship between the contractor and the Commonwealth of Virginia.
3. Discuss the extent of your commitment to lockbox services.
  - a. Location(s) of lockbox processing sites
  - b. Length of lockbox experience
  - c. Number of lockbox employees (Part-time and full-time)

4. Provide information on lockbox volumes including:
  - a. Number of lockbox customers at the proposed site
  - b. Monthly and annual lockbox volumes at the proposed site
  - c. Location of the proposed lockbox site
5. Discuss your commitment to quality. Include quality controls and measures used to evaluate the services required in this RFP. Discuss any unique approaches.
6. Discuss your approach to transition at the end of a Contract. Are you willing to support the Commonwealth during a transition period at the end of a Contract if necessary? State how you have historically handled Contract extensions to facilitate transitions at the end of a Contract.

TAB 3. Specific plans for providing the proposed goods/services including:

1. Address your financial institution's ability to provide the services noted in **SECTION III STATEMENT OF NEEDS**. Please restate each requirement and discuss whether or not you can provide the service, how you will provide the service or the extent to which you can provide the service, any alternatives you would recommend in addition to or in lieu of the stated objective, and reference any reports provided by your system.
2. Provide your mail pick up schedule and the percentage of mail available with each run. When is this mail available for processing by the lockbox department?
3. Detail the provisions that will be made for customer service. Include appropriate contacts for inquiry resolution particularly in the areas of lockbox processing and data transmission.
4. Provide a detailed implementation schedule for implementation indicating tasks and dates for completion of each. Assume that initial processing would begin on November 1, 2006.
5. Provide a well-defined systems backup plan for all services. Include your provisions for hardware, software and communications backup. Also, indicate if you have a disaster recovery plan. Identify your "hot site(s)" for emergency processing.
6. Include copies of any agreements which the Commonwealth would be expected to sign if your institution is awarded this contract.
7. Describe the process for handling overnight/express mail at your lockbox facility. When will this mail be available for lockbox processing? Can overnight/express mail be sent to the lockbox street address?
9. Describe the processing deadline that would be necessary to meet the transmission deadline.
10. Briefly describe the current lockbox operating environment:
  - a. Hours of Operation
  - b. Hardware and Software
  - c. Level of support afforded the hardware and software
11. Briefly describe your data transmission/file transfer capabilities and options.

12. The Contractor shall meet the **REPORTING AND DELIVERY REQUIREMENTS** as outlined in **SECTION VI**. Please restate each requirement and discuss whether or not you can provide the service; how you will provide the service or the extent to which you can provide the service; and any alternatives you recommend in addition to or in lieu of the stated objective.

TAB 4. Proposed Price:

1. Complete the price schedules in **SECTION XI PRICING SCHEDULE**, showing the cost for each service listed as well as the cost for any service not listed that your institution expects will be utilized and billed for in the performance of this Contract.
2. Discuss any transition costs related to establishing the services requested.
3. Discuss transition costs that would be assessed at the end of the Contract.
4. Discuss any creative pricing or payment options that you can provide.
5. Provide your Earnings Credit Rate for analysis purposes for the past twelve months, and indicate the basis (i.e. T-Bill, Fed Funds, etc.) on which this rate is computed.
6. Can you support a quarterly settlement period for analysis purposes?
7. Contractor shall provide Treasury the following account analysis statements:
  - a. SCC Bureau of Insurance lockbox activity - TAA
  - b. SCC Bureau of Insurance lockbox activity - ALA
  - c. SCC Bureau of Insurance Returned Item Activity

TAB 5. Creative solutions and alternative suggestions:

All Offerors are encouraged to be as creative as possible in responding to this RFP. Based on your review of the background information, specific needs and requirements, and pertinent Sections of the Code of Virginia discuss any creative approaches to this service which have not been specifically requested or which would enhance efficiency and/or reduce costs.

TAB 6. Small, Women-Owned, and Minority-Owned Business Participation:

The Offeror should submit three (3) sets of data for small business, women-owned business minority-owned business: 1) ownership, 2) utilization of small, women-owned and minority-owned businesses for the most recent 12 months, and 3) planned involvement of small businesses, women-owned businesses and minority owned businesses on the current procurement. **Appendix B** contains the format for providing this information.

## **SECTION V EVALUATION AND AWARD CRITERIA**

- A. All proposals received will be reviewed and evaluated by a Selection Committee. The Committee will recommend proposals, which most closely meet the requirements of the RFP. The following will be used in making the selection:
1. Offeror's Qualifications -- This criterion includes the ability of the Offeror to meet the terms of the RFP, the quality controls in place to ensure a high-quality service, and any special processes that increase the Offeror's ability to perform the contract. (Weighted at 20%)
  2. Soundness of Approach -- Emphasis here is on the techniques for providing the services requested, and on the Offeror's capability to deliver the desired services on schedule. (Weighted at 35%)
  3. Pricing -- Charges should be broken down as outlined in Section X, PRICING SCHEDULE. While this area will be weighted heavily, it will not be the primary deciding factor in the selection process. (Weighted at 30%)
  4. Creativity -- The Commonwealth is interested in creative and innovative responses to this RFP. Consideration will be given to suggested alternatives or additional services offered which may not be specifically requested. (Weighted at 10%)
  5. Participation of Small, Women-Owned, and Minority-Owned Businesses -- Emphasis is on the past, current, and planned utilization of businesses in the three classes identified. (Weighted at 5%)
- B. Award of Contract: Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request For Proposals, including price, if so stated in the Request For Proposals. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the issuing agency shall select the Offeror that, in its opinion, has made the best proposal, and shall award the Contract to that Offeror. The Commonwealth may cancel this Request For Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous (Section 2.2-4359D, *Code of Virginia*). Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror. The award document will be a Contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated. See **Appendix A**.

## **SECTION VI REPORTING AND DELIVERY REQUIREMENTS**

The Contractor shall meet the following reporting and delivery requirements.

- A.. Lockbox data files of the current day's deposit activity that comply with specifications outlined in **Appendix F** and **Appendix G** shall be submitted via data transmission by 4:00 p.m. each business day of operation
- B. Hard copy lockbox reports shall include the following information:
  - 1. Detail report by batch that identifies
    - a. Item number
    - b. Deposit certificate number
    - c. Form ID
    - d. NAIC number
    - e. Check Amount
    - f. Batch Number
  - 2. Summary batch report that identifies
    - a. Form type
    - b. Account number for deposit
    - c. Batch number
    - d. Deposit amount
    - e. Item Count
    - f. Subtotal by form type
    - g. Grand total
- C. Lockbox package including unprocessable items, correspondence, deposit certificate, and hard copy reports shall be delivered to the State Corporation Commission by 8:00 a.m. the next business day.

Commonwealth of Virginia Department of the Treasury  
RFP# CMI 06-009 – State Corporation Commission: Bureau of Insurance – Lockbox Services  
Due: Friday, July 14, 2006, at 1:00 p.m.

## **SECTION VII: OPTIONAL PRE-PROPOSAL CONFERENCE**

There will not be a pre-proposal conference for this request for proposals.

## SECTION VIII GENERAL TERMS AND CONDITIONS

- A. **VENDORS MANUAL:** This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this Contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at [www.dgs.state.va.us/dps](http://www.dgs.state.va.us/dps) under “Manuals.”
- B. **APPLICABLE LAWS AND COURTS:** This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations. Venue shall be in state or federal court located in Richmond, Virginia.
- C. **ANTI-DISCRIMINATION:** By submitting their proposals, offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the *Virginia Public Procurement Act*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient’s religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia* § 2.2-4343.1E).

In every Contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this Contract, the Contractor agrees as follows:
    - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or disabilities, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
    - b. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
    - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
  2. The Contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- D. **ETHICS IN PUBLIC CONTRACTING:** By submitting their proposals, offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value,

present or promised, unless consideration of substantially equal or greater value was exchanged.

- E. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their proposals, offerors certify that they do not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- F. DEBARMENT STATUS: By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts by any agency of the Commonwealth of Virginia for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- G. ANTITRUST: By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said Contract.
- H. MANDATORY USE OF STATE FORMS AND TERMS AND CONDITIONS: Failure to submit a proposal on the official state form provided for that purpose shall be a cause for rejection of the proposal. Modification of or additions to any portion of the general terms and conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case-by-case basis, in its sole discretion, whether to reject such a proposal.
- I. CLARIFICATION OF TERMS: If any prospective offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.
- J. PAYMENT:
  - 1. To Prime Contractor:
    - a. Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the state Contract number and/or purchase order number; social security number (for individual Contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
    - b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
    - c. All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.
    - d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
    - e. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such



cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges, which appear to be unreasonable, will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the Contractor, in writing, as to those charges, which it considers unreasonable, and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges that are not in dispute (*Code of Virginia*, § 2.2-4363).

2. To Subcontractors:
  - a. A Contractor awarded a Contract under this solicitation is hereby obligated:
    - (1) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or
    - (2) To notify the Issuing Agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
  - b. The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.
3. Each prime contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.
- K. PRECEDENCE OF TERMS: The following General Terms and Conditions *VENDORS MANUAL*, APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.
- L. QUALIFICATIONS OF OFFERORS: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to

award to satisfy questions regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the Contract and to provide the services and/or furnish the goods contemplated therein.

- M. TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- N. ASSIGNMENT OF CONTRACT: A Contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth.
- O. CHANGES TO THE CONTRACT: Changes can be made to the Contract in any of the following ways:
1. The parties may agree in writing to modify the scope of the Contract. An increase or decrease in the price of the Contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Contract.
  2. The Issuing Agency may order changes within the general scope of the Contract at any time by written notice to the Contractor. Changes within the scope of the Contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Issuing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
    - a. By mutual agreement between the parties in writing; or
    - b. By agreeing upon a unit price or using a unit price set forth in the Contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Issuing Agency's right to audit the Contractor's records and/or to determine the correct number of units independently; or
    - c. By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the Contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Issuing Agency with all vouchers and records of expenses incurred and savings realized. The Issuing Agency shall have the right to audit the records of the Contractor, as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Issuing Agency within thirty (30) days from the date of receipt of the written order from the Issuing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the Contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this Contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this Contract shall excuse the Contractor from promptly complying with the changes ordered by the Issuing Agency or with the performance of the Contract generally.

- P. **DEFAULT:** In case of failure to deliver goods or services in accordance with the Contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies that the Commonwealth may have.
- Q. **TAXES:** Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this Contract shall usually be free of Federal excise tax and transportation taxes. The Commonwealth's excise tax exemption registration numbers is 54-73-0076K.
- R. **USE OF BRAND NAMES:** Omitted.
- S. **TRANSPORTATION AND PACKAGING:** Omitted.
- T. **INSURANCE:** By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the Contract, it will have the following insurance coverages at the time the Contract is awarded. For construction Contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The Offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverages during the entire term of the Contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

**INSURANCE COVERAGES AND LIMITS REQUIRED:**

1. Worker's Compensation - Statutory requirements and benefits; require that the Commonwealth of Virginia be added as an additional named insured on Contractor's policy.
  2. Employers Liability - \$100,000.
  3. Commercial General Liability - \$500,000 combined single limit. Commercial General Liability is to include Premises/Operations Liability, Products and Completed Operations Coverage, and Independent Contractor's Liability or Owner's and Contractor's Protective Liability. The Commonwealth of Virginia is to be named as an additional named insured with respect to the services being procured. These coverages are to include Products and Completed Operations Coverage.
  4. Automobile Liability - \$500,000 - Combined single limit. (Only used if motor vehicle is to be used in the Contract.)
- U. **ANNOUNCEMENT OF AWARD:** Upon the award or the announcement of the decision to award a Contract as a result of this solicitation, the Issuing Agency will publicly post such notice on the 3<sup>rd</sup> floor receptionist area, Department of the Treasury, 101 N. 14<sup>th</sup> Street, Richmond, Virginia, the DGS/DPS eVA website [www.eva.state.va.us](http://www.eva.state.va.us) and on the Treasury website at [www.trs.virginia.gov](http://www.trs.virginia.gov) for a minimum of 10 days.
- V. **DRUG-FREE WORKPLACE:** During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the

Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, “drug-free workplace” means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.

- W. **NONDISCRIMINATION OF CONTRACTORS:** A bidder, offeror, or Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, or disability or against faith-based organizations. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services or disbursements from an alternative provider.
- X **eVA BUSINESS-TO-GOVERNMENT REGISTRATION:** The eVA Internet electronic procurement solution, web site portal [www.eVA.virginia.gov](http://www.eVA.virginia.gov), streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet eprocurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.
- a. eVA Basic Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
- b. eVA Premium Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.
- c. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
- (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
  - (ii) Businesses that are not DMBE certified small business: 1% capped at \$1,500 per order.

## SECTION IX SPECIAL TERMS AND CONDITIONS

- A. **ADVERTISING:** In the event a Contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to the Department of the Treasury will be used in product literature or advertising. The Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.
- B. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- C. **AUTHORIZED USERS:** The Department of the Treasury (Treasury) is issuing this solicitation in cooperation with the **State Corporation Commission**. Requirements of this agency have been incorporated within this solicitation. Treasury is responsible for administering the program; therefore, correspondence should be directed to the issuing Agency.
- D. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- E. **AWARD OF CONTRACT:** Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the agency shall select the Offeror that, in its opinion, has made the best proposal, and shall award the Contract to that Offeror. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. (Section 2.2-4359D, *Code of Virginia*.) Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror. The award document will be a Contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated.
- F. **BEST AND FINAL OFFER (BAFO):** At the conclusion of negotiations, the offeror(s) may be asked to submit in writing, a best and final offer (BAFO). After the BAFO is submitted, no further negotiations shall be conducted with the offeror(s). The offeror(s) proposal(s) will be rescored to combine and include the information contained in the BAFO. The decision to award will be based on the final evaluation including the BAFO.
- G. **CANCELLATION OF CONTRACT:** The Issuing Agency reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial Contract period is for more than 12 months, the resulting Contract may be terminated by either party, without penalty, after the initial 12 months of the Contract period upon 60 days written notice to the other party. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

- H. **EXTRA CHARGES NOT ALLOWED:** No additional charges will be allowed under the Contract. Any changes to the scope of services that impact prices must be approved in advance by the Manager of Cash and Banking at the Department of the Treasury.
- I. **INSURANCE, MONEY AND SECURITIES:** Contractor shall maintain a Broad Form Money and Securities Insurance Policy obtained from an insurance company licensed to conduct crime insurance business in the home state of the Contractor and which has earned an A.M. Best Company, Inc. rating of A or better, as reflected in their most current publication, covering all money and property entrusted to the Contractor by the Commonwealth of Virginia for Loss Inside the Premises Coverage and for Loss Outside the Premises Coverage, with limits of coverage to be determined by the Contractor and Department of the Treasury. Certificate of such protection must be presented to the Issuing Agency prior to the start of the service showing name of insurance company, limits and types of coverage, term of coverage, additional insured provision and name and address of licensed insurance agent. The Contractor agrees to maintain such policy until the completion of the Contract and all money and property of the Commonwealth is remitted to the Commonwealth.
- J. **MINORITY/WOMEN OWNED BUSINESSES SUBCONTRACTING AND REPORTING:** Where it is practicable for any portion of the awarded Contract to be subcontracted to other suppliers, the Contractor is encouraged to offer such business to minority and/or women-owned businesses. Names of firms may be available from the Issuing Agency and/or from the Commonwealth's Department of General Services, Division of Purchases and Supply. When such business has been subcontracted to these firms and upon completion of the Contract, the Contractor agrees to furnish the issuing Agency the following information: name of firm, phone number, total dollar amount subcontracted and type of product/service provided.
- K. **OPTIONAL PRE-PROPOSAL CONFERENCE:** There will not be a pre-proposal conference for this procurement.
- L. **PRIME CONTRACTOR RESPONSIBILITIES:** The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this Contract shall be responsible to the prime Contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.
- M. **RENEWAL OF CONTRACT:** At a reasonable time (approximately 60 days prior to the Contract expiration date) and upon written agreement of both parties, this Contract may be extended beyond the initial three-year Contract period by the Commonwealth for a period of two successive one (1) year periods only under the terms and conditions of the original Contract, except as stated in (1) and (2) below.
- (1) If the Commonwealth elects to exercise the option to extend the Contract for an additional one-year period, the Contract price(s) for the additional one year shall not exceed the Contract prices of the original Contract, or the Contract prices of the original Contract increased/decreased by the percentage increase/decrease of the "Other Services" category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest 12 months for which statistics are available.
  - (2) If during any subsequent renewal periods, the Commonwealth elects to exercise the option to extend the Contract for the second Additional one-year period, the Contract price(s) for the second additional one-year period shall not exceed the Contract price(s) of the first one-year extension period, or the Contract price(s) of the first one-year extension period increased/decreased by the percentage increase/decrease of the "Other Services" category of the CPI-W section for the Consumer Price Index of the United States Bureau of Labor Statistics for the latest 12 months for which statistics are available.

At a reasonable time (approximately 60 days prior to the Contract expiration date) the Commonwealth, may, at its sole option, give written notice to extend the terms of this Contract on a month-to-month basis for a period not to exceed six (6) months after the expiration of the original Contract or any renewal period. If necessary, such an

extension will serve as a transition period to implement the service with a different service provider. The Contractor will cooperate in any such transition. During such extension all services provided by the Contractor pursuant to the Contract shall continue to be performed in accordance with all applicable federal, State or local laws, ordinances, rules or regulations at the prices last agreed upon.

N. SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of the Issuing Agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Issuing Agency the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Contract.

O. eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS: The contract may result in multiple purchase orders with the eVA transaction fee specified below.

(1) DMBE-certified Small Business: 1%, capped at \$500 per order.

(2) Businesses that are non DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders.

Internet electronic procurement solution, web site portal [www.eva.state.va.us](http://www.eva.state.va.us), streamlines and automates government purchasing activities in the Commonwealth. The portal is a gateway for vendors to conduct business with state agencies and public bodies.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid /offer or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) specifications that can be accessed and downloaded from [www.eVA.virginia.gov](http://www.eVA.virginia.gov). Contractors should e-mail Catalog or Index page information to [eVA-catalog-manager@dgs.virginia.gov](mailto:eVA-catalog-manager@dgs.virginia.gov).

## **SECTION X METHOD OF PAYMENT**

Service charges are to be included in the Contractor's monthly account analysis. The fees shall be paid through one of the following methods at the Commonwealth's option: compensating balances; a combination of compensating balances and direct fees; or an alternative method as specified in the Contractor's Proposal.



## SECTION XI PRICING SCHEDULE

### ADMINISTRATIVE TAX UNIT (TAA) LOCKBOX

SERVICE:	ANNUAL VOLUME	RATE	EXTENSION
Account Analysis Statements	12		\$ -
Account Maintenance	12		\$ -
Zero Balance Account Maintenance	12		\$ -
Deposits	250		\$ -
Fax Notification	12		\$ -
Information Reporting: Summary Data	12		\$ -
Items Deposited	3,100		\$ -
Lockbox Correspondence/Unprocessable	570		\$ -
Lockbox Courier	12		\$ -
Lockbox Data Entry - per keystroke	62,000		\$ -
Lockbox Hardcopy Report	12		\$ -
Lockbox Maintenance (Wholesale)	12		\$ -
Lockbox Notations	3,100		\$ -
Lockbox Overnight Mail Receive	215		\$ -
Lockbox Per Item (Wholesale)	<b>3,100</b>		\$ -
Lockbox Sort Per Item	3,100		\$ -
Lockbox Special Stamping	3,100		\$ -
Lockbox Transmission	12		\$ -
PO Box Rental (Annual)			\$ -
Return Item Special Instructions			\$ -
			\$ -
<b>Other</b>			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
<b>Total Services Provided – Annual Cost</b>			\$ -
Implementation/One-Time Set Up Charges			

NOTES:

1. ANNUAL VOLUME STATISTICS: Please note that volume statistics outlined above are estimated annual volumes and may not correspond to the way you charge for a particular service. If a particular charge is on another basis than noted, make appropriate changes in the "Volume" column. Proposals must estimate volumes for any line items where volume figures are left blank.
2. OTHER CHARGES: If there are other charges, they must be noted in "Other" spaces, clearly defined, and extended based on estimated volume. **THIS IS A REQUIREMENT. ANY CHARGE FOR SERVICES NOT ADDRESSED IN THE "STATEMENT OF CHARGES" IN YOUR PROPOSAL WILL NOT BE ALLOWED DURING THE COURSE OF THE CONTRACT.**
3. NC: If there is no charge for any of the services listed, notate with a "N/C" in the "Extension" column.

<b><u>AGENT APPOINTMENT FEES</u></b> <b><u>(ALA)</u></b>			
<b>SERVICE:</b>	<b>ANNUAL VOLUME</b>	<b>RATE</b>	<b>EXTENSION</b>
Account Analysis Statements	12		\$ -
Account Maintenance	12		\$ -
Zero Balance Account Maintenance	12		\$ -
Deposits	250		\$ -
Fax Notification	12		\$ -
Information Reporting: Summary Data	12		\$ -
Items Deposited	8,300		\$ -
Lockbox Correspondence/Unprocessable	8,300		\$ -
Lockbox Courier	12		\$ -
Lockbox Data Entry - per keystroke	295,000		\$ -
Lockbox Hardcopy Report	12		\$ -
Lockbox Maintenance (Wholesale)	12		\$ -
Lockbox Notations	8,300		\$ -
Lockbox Overnight Mail Receive	3,800		\$ -
Lockbox Per Item (Wholesale)	<b>8,300</b>		\$ -
Lockbox Sort Per Item	8,300		\$ -
Lockbox Special Stamping	8,300		\$ -
Lockbox Transmission	12		\$ -
PO Box Rental (Annual)	1		\$ -
Return Item Special Instructions	12		\$ -
			\$ -
<b>Other</b>			\$ -
			\$ -
			\$ -
<b>Total Services Provided – Annual Cost</b>			\$ -
Implementation/One-Time Set Up Charges			

NOTES:

1. ANNUAL VOLUME STATISTICS: Please note that volume statistics outlined above are estimated annual volumes and may not correspond to the way you charge for a particular service. If a particular charge is on another basis than noted, make appropriate changes in the "Volume" column. Proposals must estimate volumes for any line items where volume figures are left blank.
2. OTHER CHARGES: If there are other charges, they must be noted in "Other" spaces, clearly defined, and extended based on estimated volume. **THIS IS A REQUIREMENT. ANY CHARGE FOR SERVICES NOT ADDRESSED IN THE "STATEMENT OF CHARGES" IN YOUR PROPOSAL WILL NOT BE ALLOWED DURING THE COURSE OF THE CONTRACT.**
3. NC: If there is no charge for any of the services listed, notate with a "N/C" in the "Extension" column.

**RETURNED ITEMS ACCOUNT:**

<b>SERVICE:</b>	<b>ANNUAL VOLUME</b>	<b>RATE</b>	<b>EXTENSION</b>
Account Maintenance	12		\$ -
Overdraft Fee			\$ -
Negative Collected Funds Fee			\$ -
Weekly DDA Statements	52		\$ -
Account Analysis Statements	12		\$ -
Deposits	52		\$ -
Deposited Items	43		\$ -
Redeposited Checks	180		\$ -
Deposited Items Charged Back	375		\$ -
Information Reporting: Detail	12		\$ -
Information Reporting: Summary	12		\$ -
Information Reporting: Returned Item Report	12		\$ -
Information Reporting Image	12		\$ -
Returns: Special Instructions	12		\$ -
			\$ -
<b>Total Services Provided – Annual Cost</b>			\$ -
Implementation/One-Time Set Up Charges			

NOTES:

1. ANNUAL VOLUME STATISTICS: Please note that volume statistics outlined above are estimated annual volumes and may not correspond to the way you charge for a particular service. If a particular charge is on another basis than noted, make appropriate changes in the "Volume" column. Proposals must estimate volumes for any line items where volume figures are left blank.
2. OTHER CHARGES: If there are other charges, they must be noted in "Other" spaces, clearly defined, and extended based on estimated volume. **THIS IS A REQUIREMENT. ANY CHARGE FOR SERVICES NOT ADDRESSED IN THE "STATEMENT OF CHARGES" IN YOUR PROPOSAL WILL NOT BE ALLOWED DURING THE COURSE OF THE CONTRACT.**
3. NC: If there is no charge for any of the services listed, notate with a "N/C" in the "Extension" column.

## **SECTION XII APPENDICES AND DEFINITIONS**

**APPENDIX A**  
**FORM OF COMMONWEALTH OF VIRGINIA CONTRACT**

Appendix A represents the proposed Contract, which the Commonwealth of Virginia would expect the Contractor to sign. Please note any suggestions or additions you would like considered.

COMMONWEALTH OF VIRGINIA  
Department of the Treasury  
BANKING SERVICES STATE CORPORATION COMMISSION – BUREAU OF INSURANCE  
Contract Number CMI 06 - 009

This Contract is entered into this \_\_\_ day of \_\_\_\_, 2006 by \_\_\_\_\_, hereinafter called the "Contractor", and the Commonwealth of Virginia Department of the Treasury, hereinafter called the "Issuing Agency".

WITNESSETH that the Contractor and the Issuing Agency, in consideration of the mutual covenants, promises, and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the services to the Commonwealth as set forth in the Contract Documents.

PERIOD OF CONTRACT: From November 1, 2006 to October 31, 2009, **with two (2) successive one-year options to renew the Contract in accordance with the terms and conditions noted in the Contract.**

COMPENSATION AND METHOD OF PAYMENT: The service charges are to be included in the bank's monthly account analysis.

CONTRACT DOCUMENTS: The Contract Documents shall consist of:

- (1) This signed Contract;
- (2) The following portions of the Request For Proposals dated **June 23, 2006**:
  - (a) The Statement of Needs
  - (b) The General Terms and Conditions
  - (c) The Special Terms and Conditions, together with any negotiated modifications of those Special Conditions
- (3) The Contractor's proposal dated \_\_\_\_\_, 2006 and all written modifications to the Proposal, **including all written vendor responses**, all of which documents are incorporated herein.

Any contractual claims shall be submitted in accordance with the contractual dispute procedures set forth in Section 7.15 of the Commonwealth of Virginia's *Vendor's Manual*.

IN WITNESS WHEREOF the parties have caused this Contract to be duly executed intending to be bound thereby, and certify they are authorized to sign this Contract for the Contractor or the Commonwealth.

**CONTRACTOR**

**COMMONWEALTH OF VIRGINIA**  
**Department of the Treasury**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

Commonwealth of Virginia Department of the Treasury

RFP# CMI 06-009 – State Corporation Commission: Bureau of Insurance – Lockbox Services

Due: Friday, July 14, 2006, at 1:00 p.m.

**APPENDIX B**  
**OFFEROR'S REPORT OF SMALL, WOMEN-OWNED, AND**  
**MINORITY-OWNED BUSINESSES**



**PARTICIPATION OF SMALL, WOMEN OWNED,  
AND MINORITY OWNED BUSINESSES**

1. Participation by Small Businesses:

- a. Offeror certifies that it ( ) is, ( ) is not, a small business concern (including its affiliates) which is independently owned and operated. For the purpose of this procurement, a small business is a concern that is not dominant in the field of operation in which it is contracting and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the United States Small Business Administration.
- b. List small businesses with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

<u>PERIOD:</u>	From: _____	To: _____			
FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	%TOTAL CO. EXPENDITURES FOR GOODS & SERVICES ***	

**\*\*\* WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURES FOR ALL THREE CATEGORIES (SMALL, WOMEN AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.\*\*\***

- c. Describe Offeror's plans to involve small businesses in the performance of this Contract either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

<u>PERIOD:</u>	From: _____	To: _____			
FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% OF TOTAL CONTRACT***	

**\*\*\* WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURES FOR ALL THREE CATEGORIES (SMALL, WOMEN AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.\*\*\***

2. Participation by Businesses Owned by Women:

- a. Offeror certifies that it ( ) is, ( ) is not, a women's business enterprise or women owned business. For the purpose of this procurement, a woman owned business is a concern that is at least 51 percent owned by a woman or women who also control and operate it. In this context, "control" means exercising the power to make policy decisions, and "operate" means being actively involved in the day-to-day management.

- b. List businesses owned by women with whom the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: \_\_\_\_\_ To: \_\_\_\_\_

FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	%TOTAL CO. EXPENDITURES FOR GOODS/SERVICES WOMEN-OWNED BUS.***

**\*\*\*WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURE FOR ALL THREE CATEGORIES (SMALL, WOMEN, AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.\*\*\***

- c. Describe Offeror's plans to involve businesses owned by women in the performance of this Contract, either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: \_\_\_\_\_ To: \_\_\_\_\_

FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% OF TOTAL CONTRACT WOMEN-OWNED BUS.***

**\*\*\*THIS COLUMN REFLECTS WHAT PERCENTAGE OF THE 100% VALUE OF THIS CONTRACT YOU WILL AWARD TO WOMEN-OWNED BUSINESSES\*\*\***

3. Participation by Businesses Owned by Minorities:

- a. Offeror certifies that it ( ) is, ( ) is not, a minority business enterprise or minority owned business. For the purpose of this procurement, a minority-owned business is a concern that is at least 51 percent owned by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, African Americans, Hispanic Americans, Asian Americans, American Indians, Eskimos, and Aleuts.
- b. List businesses owned by minorities with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: \_\_\_\_\_ To: \_\_\_\_\_

FIRM NAME, ADDRESS & PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% TOTAL CO. EXPENDITURES FOR GOODS/SERVICES FROM MINORITY-OWNED BUS.***

**\*\*\*WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURE FOR ALL THREE CATEGORIES (SMALL, WOMEN, AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.**

- c. Describe Offeror's plans to involve minority businesses in the performance of this Contract, either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: \_\_\_\_\_ To: \_\_\_\_\_

FIRM NAME, ADDRESS & PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% OF TOTAL CONTRACT MINORITY-OWNED BUS.***

**\*\*\*THIS COLUMN REFLECTS WHAT PERCENTAGE OF THE 100% VALUE OF THIS CONTRACT YOU WILL AWARD TO MINORITY-OWNED BUSINESSES.\*\*\***

## **APPENDIX C**

### **DEFINITIONS**

For the purpose of this RFP, the following shall serve as definitions:

PERIOD is the specified 12-month period for which the information provided in this list is applicable and valid. The period will be specified as month and year.

FIRM NAME, ADDRESS AND PHONE NUMBER is the name address and business phone number of the small business, women owned business or minority owned business with which the Offeror has contracted or done business over the specified period or plans to involve on this Contract, as applicable.

CONTACT PERSON is the name of the individual in the specified small business, women owned business or minority owned business who would have knowledge of the specified contracting and would be able to validate the information provided in this list.

TYPE GOODS OR SERVICES is the specific goods or services the Offeror has contracted for from the specified small, women owned or minority owned business over the specified period of time or plans to use in the performance of this Contract, as applicable. The Offeror will asterisk (\*) those goods and services that are in the Offeror's primary business or industry.

DOLLAR AMOUNT is the total dollar amount (in thousands of dollars) the Offeror has contracted for or has done business with the listed firm during the specified period or plans to use on this Contract, as applicable.

% TOTAL COMPANY EXPENDITURES FOR GOODS AND SERVICES is calculated by dividing the dollar amount of business conducted or contracted for with the indicated firm over the specified period by the total expenditure of the Offeror over the specified period for goods and services.

% OF TOTAL CONTRACT is calculated by dividing the estimated dollars planned for the indicated firm on this Contract by the total Offeror estimated price of this Contract.

SMALL BUSINESS is a concern that is not dominant in the field of operation in which it is contracting and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the United States Small Business Administration.

WOMAN-OWNED BUSINESS is a concern that is at least 51 percent owned by a woman or women who also control and operate it. In this context, "control" means exercising the power to make policy decisions, and "operate" means being actively involved in the day-to-day management.

MINORITY-OWNED BUSINESS is a concern that is at least 51 percent owned by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, African Americans, Hispanic Americans, Asian Americans, American Indians, Eskimos, and Aleuts.

## **APPENDIX D**

### **SCC BUREAU OF INSURANCE – LOCKBOX PROCEDURE**

#### **I. DEFINITIONS**

##### **A. Acceptable payees:**

Treasurer of Virginia  
Bureau of Insurance  
SCC  
Department of the Treasury

Commonwealth of Virginia  
State Corporation Commission  
SCC-Bureau of Insurance  
Reasonable Combination

##### **B. Processable Payments:**

1. Acceptable Payees
2. Form and check are present
3. Check amount equals amount due
4. Form ID number is on document
5. NAIC number is present and legible
  - a. Alpha characters “V”, “WC” or “SC” in first position(s) are acceptable
6. Process any cash transactions following bank internal audit approved procedures.

##### **C. Unprocessable Items**

1. If last position of NAIC number is alpha
2. Check only received with no form/document
3. Form only, no check
4. Incorrect payee
5. Unsigned checks
6. Any changes to NAIC or form numbers. (No need to check EIN #.)
7. Check amount does not equal amount due
8. Changes to amount on Form 90
9. Form ID and/or NAIC illegible or unavailable on document/invoice
10. Multiple invoices with one check or multiple checks with one invoice
11. Foreign checks
12. When written and numeric amounts do not match

#### **II. PROCESSING PROCEDURES**

##### **A. Processing before due date**

1. Open all mail and discard envelopes for processable payments
2. Sort by processable and unprocessable payments
3. Discard envelopes for processable payments
4. Sort invoices/checks by Form ID using list to sort into groups
5. Separate checks from forms keeping in the same order (Number items when separating)
6. Perform settlement on Form ID's 60, 71 – 75 before separating check and form
7. Establish batches, limited to 60 items per batch by Form ID and then by type (Number items when separating)
8. Process checks in batches that correspond to forms entry batches
9. Assign deposit certificate number that will be used for the deposit

10. Key enter data from forms

B. Processing after the due date

1. Retain envelopes and attach to the back of the form
2. Note NAIC number on envelope and form ID
3. Note postmark date on all forms in each envelope (Don't date zero forms.)
4. If delivered by courier the ship date must be put on the form.

III. INVOICE ENTRY

A. Key enter data from forms:

1. Duplicate key entry of all forms data required for verification purposes. Duplicate entry either by second operator or re-keying all data by entry operator.
2. Key enter the deposit certificate number so it is reflected throughout reports and included on transmission.
3. Key enter the NAIC number
4. Detail entry of forms types

IV. DEPOSIT PREPARATION

A. Settle the total of checks processed to the total from invoice entry.

B. Prepare deposit certificate (DC).

1. Note TAA or ALA on the DC depending on the box being processed.
2. Attach batch detail list to completed DC for total deposit.

V. DATA TRANSMISSION

A. Transmit lockbox file to Bureau of Insurance by 5:00 p.m. daily during processing periods.

B. Fax to Bureau of Insurance if "zero" deposit by 5:00 p.m.  
(Fax number 804-371-9821)

VI. OUTGOING MEDIA TO SCC BUREAU OF INSURANCE

A. Prepare lockbox package to include the following:

1. Deposit Certificate
2. Summary Deposit Report
3. Batch Detail Report  
Attach to each batch of documents
4. Documents/invoices
5. Unprocessable Items
6. Correspondence

B. Courier delivery to SCC by 8:00 a.m. of business the next morning

SCC-Bureau of Insurance  
Tyler Building  
1300 Main Street  
1<sup>st</sup> Floor, Security Desk

## VII. Problem Resolution

All problems reported via phone/fax must be responded to in writing within 24 hours of being reported.

Form Type 1 (6001)

<b>FORM ID'S</b>	<b>FORM DESCRIPTION</b>
01	Premium License Tax – Property & Casualty
02	Premium License Tax – Life & Health
03	Premium License Tax – Legal Serv. Plans
04	Premium License Tax – Lim. Health Serv
05	Premium License Tax – Health Serv. Plans
06	Premium License Tax – Risk Ret Group
07	Premium License Tax – Mutual Assess
08	Premium License Tax – Chapter Company
09	Premium License Tax – Dental Plan Organization
10	Premium License Tax – Home Service Contract Providers
20	Maintenance Assessment – Fraternal Ben.
21	Maintenance Assessment – Property & Casualty
22	Maintenance Assessment – Mutual Assessment
23	Maintenance Assessment – Chapter Co.
24	Maintenance Assessment – HMO
25	Maintenance Assessment – Legal Serv. Plan
26	Maintenance Assessment – Pre Paid Dental
27	Maintenance Assessment – Health Serv
28	Maintenance Assessment – Group Self Ins.
29	Maintenance Assessment – Life & Health
30	Maintenance Assessment – Risk Ret.
31	Maintenance Assessment – Dental Plan Organization

Form Type 2 (6002)

<b>FORM ID'S</b>	<b>FORM DESCRIPTION</b>
41	Fire Assessment
42	Flood Assessment
45	Fraud Assessment
46	MCHIP Assessment

Form Type 3 (6003)

<b>FORM ID'S</b>	<b>FORM DESCRIPTION</b>
43	HEAT Assessment

Form Type 4 (6004)

<b>FORM ID'S</b>	<b>FORM DESCRIPTION</b>
50	Retaliatory



Form Type 5 (6005)  
(Perform up-front settlement)

FORM ID'S	FORM DESCRIPTION
60	Quarterly Declarations

Form Type 6 (6006)  
(Perform up-front settlement)

FORM ID'S	FORM DESCRIPTION
70	Audit Letter Premium License Tax (Batch Separately)
71	Audit Letter Maintenance (Batch Separately)
72	Audit Letter Retaliatory (Batch Separately)
73	Audit Letter Fire
74	Audit Letter Flood
75	Audit Letter HEAT
76	<del>Audit Letter Guaranty Fund</del>
77	Audit Letter Fraud

Form Type 7 (6007)

FORM ID'S	FORM DESCRIPTION
52	Retaliatory Late Payment Interest
53	PLT Late Payment Interest
54	Maintenance Late Payment Interest
55	Fire Late Payment Interest
56	Flood Late Payment Interest
57	HEAT Late Payment Interest
58	Fraud late Payment Interest
59	MCHIP Late Payment Interest
81	Interest Letter Retaliatory
82	Interest Letter Premium License Tax
83	Interest Letter Maintenance
84	Interest Letter Fire
85	Interest Letter Flood
86	Interest Letter HEAT
87	Interest Letter Fraud
88	Interest Letter MCHIP

Form Type 8 (6008)

FORM ID'S	FORM DESCRIPTION
90	Additions Tax Bill

Commonwealth of Virginia Department of the Treasury

RFP# CMI 06-009 – State Corporation Commission: Bureau of Insurance – Lockbox Services

Due: Friday, July 14, 2006, at 1:00 p.m.

Form Type 9

FORM ID'S	FORM DESCRIPTION
91	Omitted Premium Tax
92	Omitted Premium Maintenance

## **APPENDIX E**

### **SCC BUREAU OF INSURANCE LOCKBOX SYSTEM EDITS**

1. Duplicate key entry of all required data elements.
2. Check amount must equal amount due.  
System will send operator a message when values do not match; and allow no further action until correction made or item removed from batch.
3. From ID's established under specific types to ensure forms are keyed to appropriate transaction type outlined below.

#### **Type 1**

- |    |   |
|----|---|
| 01 | Premium License Tax-Property & Casualty             |
| 02 | Premium License Tax-Life & Health                   |
| 03 | Premium License Tax-Legal Serv. Plans               |
| 04 | Premium License Tax-LIM Health Serv.                |
| 05 | Premium License Tax-Health Serv. Plans              |
| 06 | Premium License Tax-Risk Ret. Group                 |
| 07 | Premium License Tax-Mutual Assess.                  |
| 08 | Premium License Tax-Chapter Company                 |
| 09 | Premium License Tax –Dental Plan Organization       |
| 10 | Premium License Tax-Home Service Contract Providers |
| 20 | Maintenance Assessment –Fraternal Ben.              |
| 21 | Maintenance Assessment-Property & Casualty          |
| 22 | Maintenance Assessment-Mutual Assessment            |
| 23 | Maintenance Assessment-Chapter Co.                  |
| 24 | Maintenance Assessment-HMO                          |
| 25 | Maintenance Assessment-Legal Serv. Plan             |
| 26 | Maintenance Assessment-Pre Paid Dental              |
| 27 | Maintenance Assessment-Health Serv.                 |
| 28 | Maintenance Assessment-Group Self Ins.              |
| 29 | Maintenance Assessment-Life & Health                |
| 30 | Maintenance Assessment-Risk Ret.                    |
| 31 | Maintenance Assessment- Dental Plan Organization    |

#### **Type 2**

- |    |                  |
|----|------------------|
| 41 | Fire Assess      |
| 42 | Flood Assess     |
| 45 | Fraud Assessment |
| 46 | MCHIP Assessment |

**Type 3**

43 Heat Assess

**Type 4**

50 Retaliatory

**Type 5**

60 Quarterly Dec.

**Type 6**

70 Audit Letter Premium License Tax  
71 Audit Letter Maint.  
72 Audit Letter Retaliatory  
73 Audit Letter Fire  
74 Audit Letter Flood  
75 Audit Letter Heat  
77 Audit Letter Fraud

**Type 7**

52 Retaliatory Late Payment Interest  
53 PLT Late Payment Interest  
54 Maintenance Late Payment Interest  
55 Fire Late Payment Interest  
56 Flood Late Payment Interest  
57 Heat Late Payment Interest  
58 Fraud Late Payment Interest  
59 MCHIP Late Payment Interest  
81 Interest Letter Retaliatory  
82 Interest Letter Premium License Tax  
83 Interest Letter Maintenance  
84 Interest Letter Fire  
85 Interest Letter Flood  
86 Interest Letter Heat  
87 Interest Letter Fraud  
88 Interest Letter MCHIP

**Type 8**

90 Additions Tax Bill

**Type 9**

91 Omitted Premium Tax  
92 Omitted Premium Maint.

4. Calculations:

**Type 5**

60 Quarterly Declaration

Sum Calculation to verify (Line 5 = Line 6)

License Tax Due + Maintenance Assessment Due = Total Amount Due

**Type 6**

70 Audit Letter Premium License Tax

71 Audit Letter Maint.

72 Audit Letter Retaliatory

73 Audit Letter Fire

74 Audit Letter Flood

75 Audit Letter Heat

77 Audit Letter Fraud

Sum Calculation to verify:

Tax / Assessment Due + Penalty Due + Late Filing Fine (PLT) = Total Amount Due

## APENDIX F

### LOCKBOX FILE SPECIFICATIONS – TAA

<b>TAA LOCKBOX FILE LAYOUT Record Size 113</b>	
Processed Date	N08
Deposit Certificate Number	N08
Batch Number	N05
Record Type	A01
Rest Of Data	
Trailer Total	N12.2
Rest Of Data (redefined below)	
Box Number	N05
Screen Type	A02
Screen Layout	A84
Screen Layout (redefined)	
Header Total	N12.2
Screen Layout (redefined)	
Filler	A08
Form Type	N02
Filler	A04
NAIC Number	A06
Screen Layout (redefined) – Screen 01	
Postmark Date	N08
Form ID	N06
NAIC Number	A06
Total Premium Income	N12.2
Estimated Payments Previous Made	N8.2
Amount Due	N8.2
Amount Overpaid	N8.2
Check Amount	N8.2
Rpt UM Amount	N8.2
Screen Layout (redefined) – Screen 02	
Postmark Date	N08
Form ID	N06
NAIC Number	A06
Total Premium Income	N12.2
Assessment Due	N8.2
Check Amount	N8.2
Screen Layout (redefined) – Screen 03	
Postmark Date	N08

Form ID	N06
NAIC Number	A06
Priv Coll Coverage	N12.2
Comm Coll Coverage	N12.2
Total Premium Income	N12.2
Assessment Due	N8.2
Check Amount	N8.2
Screen Layout (redefined) – Screen 04	
Postmark Date	N08
Form ID	N06
NAIC Number	N06
Total Amount Due	N8.2
Check Amount	N8.2
Screen Layout (redefined) – Screen 05	
Filler	A14
NAIC Number	A06
Estimated Tax	N8.2
Estimated ASM	N8.2
License Tax Due	N8.2
Maintenance Due	N8.2
Amount Due	N8.2
Check Amount	N8.2
Screen Layout (redefined) – Screen 06	
Form ID	N06
NAIC Number	A06
Tax Assessment Due	N8.2
Penalty Due	N8.2
Late Filing Fine	N8.2
Amount Due	N8.2
Check Amount	N8.2
Screen Layout (redefined) – Screen 07	
Form ID	N06
NAIC Number	A06
Interest Due	N8.2
Check Amount	N8.2
Screen Layout (redefined) – Screen 08	
Form ID	N06
NAIC Number	A06
Tax Late PLT	N8.2
Tax Under PLT	N8.2
Tax Late ASM	N8.2
Tax Under ASM	N8.2
Amount Due	N8.2
Check Amount	N8.2

Screen Layout (redefined) – Screen 09	
Form ID	N06
NAIC Number	A06
Omit Tax ASM	N8.2
Penalty	N8.2
Interest	N8.2
Check Amount	N8.2
Amount Due	N8.2

### **Lockbox System Edits**

1. Each file must contain at least one Header record
2. Each file must contain a Trailer record
3. Each file must contain a Unique Deposit Certificate Number
4. Lockbox files must transferred to our server before 5:00 p.m. each day
5. Lockbox data must be appended to the existing LAP and TAA data files



## APPENDIX G

### **LOCKBOX FILE SPECIFICATIONS – ALA**

<b>ALA LOCKBOX FILE LAYOUT Record Size 80</b>	
Processed Date	N08
Deposit Certificate Number	N08
Batch Number	N06
Batch Number (redefined)	
Trailer Indicator	A01
Trailer Amount	N12.2 (This field takes up Record Type and Box Number as well)
Record Type	A01
Box Number	A07
Rest Of Data (redefine below)	A50
Header Data	A50
Batch Total	N12.2
Detail Data	A50
Received For Company	A09
Received From Company	A09
Payment Number	A10
Amount	N12.2

#### **Lockbox System Edits**

6. Each file must contain at least one Header record
7. Each file must contain a Trailer record
8. Each file must contain a Unique Deposit Certificate Number
9. Lockbox files must transferred to our server before 5:00 p.m. each day
10. Lockbox data must be appended to the existing LAP and TAA data files

## **APPENDIX H**

### **VOLUME/ACTIVITY - PRIOR MONTHS**

<b>Date</b>	<b>TAA Standard Items Processed</b>	<b>TAA KEYING</b>	<b>ALA Overnight Mail</b>	<b>ALA Standard Items Processed</b>	<b>ALA KEYING</b>

#### **LAST TWELVE MONTHS**

<b>Mar-06</b>	2	45	2309	2838	109577
<b>Feb-06</b>	104	2529	801	1063	40072
<b>Jan-06</b>	543	13061	3	22	790
<b>Dec-05</b>	11	259	533	1001	40046
<b>Nov-05</b>	117	2765	23	99	3759
<b>Oct-05</b>	551	13309	3	22	620
<b>Sep-05</b>	3	74	46	931	37355
<b>Aug-05</b>	448	11249	0	143	5279
<b>Jul-05</b>	616	14523	0	12	401
<b>Jun-05</b>	2	46	0	989	39883
<b>May-05</b>	87	662	0	163	4197
<b>Apr-05</b>	610	3247	71	968	12205

#### **PRIOR FIVE MONTHS**

<b>Mar-05</b>	1	7	1251	2767	28520
<b>Feb-05</b>	175	904	346	1076	11065
<b>Jan-05</b>	509	2583	0	16	194
<b>Dec-04</b>	2	11850	119	989	14
<b>Nov-04</b>	103	1307	11	107	554